

TITLE IV-E
ELIGIBILITY and REIMBURSABILITY
POLICY MANUAL

State of Wisconsin
Department of Health and Family Services
Division of Children and Family Services

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TITLE IV-E ELIGIBILITY AND REIMBURSABILITY POLICY MANUAL

1. INTRODUCTION

This manual explains the process for making IV-E eligibility and reimbursability determinations and redeterminations. The appendices to the manual include updated IV-E eligibility and reimbursability forms and desk guides for staff involved in making IV-E determinations.

2. EFFECTIVE DATES AND DEFINITIONS THROUGHOUT MANUAL

This Title IV-E Eligibility and Reimbursability Policy Manual replaces the previous IV-E Eligibility and Reimbursability Manual originally issued in October 2001. The policy and procedures stated in this Eligibility and Reimbursability Manual incorporate the Adoption and Safe Families Act of 1997, the Chafee Foster Care Independence Act of 1999, the Title IV-E rules and regulations under 45 CFR Parts 1355, 1356 and 1357 issued in 2000 (effective March 27, 2000), and 2001 Wisconsin Act 109 enacted in 2001 and effective July 30, 2002.

For the purposes of this document, references to the words “child” and “children” encompass juveniles under Ch. 938, Stats., as well. The IV-E Eligibility and Reimbursability policy and procedures in this manual apply to juveniles who have been removed from their homes.

The term “foster care” also includes “treatment foster care.”

The term “worker” refers to the person who is making the IV-E determinations, unless the context indicates otherwise.

The term “Case Worker” refers to the person who coordinates services for the child, unless context indicates otherwise.

3. CATEGORIES OF IV-E COST

The Title IV-E program provides federal reimbursement to states for the costs of children placed in foster homes or other types of out-of-home care under a court order or voluntary placement agreement. Title IV-E benefits are an individual entitlement for qualified children who have been removed from their homes. For children who meet IV-E eligibility and reimbursability requirements, the federal government shares in the cost of:

- **Maintenance:** Maintenance costs are for payments associated with maintaining the child who has been removed from his/her home, including the room and board, applicable child care costs, and other supervision costs for licensed foster care, treatment foster care, shelter care, group home care and residential care centers. For IV-E eligible children, the federal share of maintenance costs is based on the federal rate for Title XIX Medical Assistance program benefits, which is approximately 58%.

- **Administrative Services:** Administrative costs are incurred when state and county staff work with the child, the child's family, and the care provider. The IV-E program reimburses administrative costs associated with case managing children who have been removed from their homes. The amount of reimbursable administrative costs is determined using a random moment time study or other methods. The federal share of administrative costs is 50%, with the administrative reimbursement rate pro-rated by the percentage of children in out-of-home care who are IV-E eligible.

The percentage of children in out-of-home care who are IV-E eligible is determined based on the ratio of IV-E eligible children to the total number of children in out-of-home care. Frequently, the percentage of IV-E eligible children is referred to as the state's IV-E "penetration rate." Fluctuations in the penetration rate affect the net rate of federal IV-E reimbursement for administrative costs.

- **Training:** Training costs for public child welfare activities qualify for an enhanced IV-E reimbursement rate. Allowable training costs include training for case workers to manage child welfare activities for children and for foster parents and facility staff who work with children. The Child Welfare Training Partnerships provide most IV-E training in the state. The federal share of eligible training costs is 75%, with the training reimbursement rate also pro-rated by the IV-E penetration rate.

4. OVERVIEW OF IV-E ELIGIBILITY AND REIMBURSABILITY

There are two major concepts within the Title IV-E program that determine whether federal reimbursement can be claimed for a child: Eligibility and Reimbursability. The determination of IV-E eligibility and reimbursability for the child allows the state to claim federal IV-E reimbursement for the child's maintenance costs. The IV-E eligibility also allows the state to obtain federal IV-E reimbursement for administrative and training costs associated with the child.

IV-E Eligibility: Initial IV-E eligibility is determined based on information to the child when the child is initially removed from his or her home, and the child welfare agency obtains legal responsibility of the child. Once a child is determined initially eligible, IV-E eligibility must be redetermined annually for the child over the duration of the out-of-home care episode.

If a child is determined not eligible, then the child is IV-E ineligible for the duration of the out-of-home care episode. If a child returns home for more than 6 months or if the agency's legal responsibility ends while the child is home, when the child re-enters out-of-home care this is a new episode and a new IV-E eligibility determination must be conducted.

IV-E Reimbursability: The child must be determined IV-E eligible and reimbursable for the state to claim IV-E reimbursement for the maintenance costs of the child. The agency managing the child's case must meet certain IV-E procedural requirements for the child to be reimbursable. The child's placement must be with a reimbursable provider or facility to claim IV-E reimbursement. The care provider must also be licensed in a timely manner for the child's maintenance costs to be reimbursable.

5. DOCUMENTATION FOR A IV-E DETERMINATION

A child should be made IV-E eligible or eligible and reimbursable if appropriate facts support the child's meeting of the IV-E requirements. If the worker has reason to doubt that a child is eligible or reimbursable, the child should not be made eligible or reimbursable, and the worker should put the case in a pending determination status while additional information is sought. Case forms, documentation, required court orders and computer screen printouts which document a child's eligibility must be included in the financial section of the child's case file or maintained in a separate eligibility file or included in eWiSACWIS. Information obtained from conversations with persons knowledgeable about the child (e.g., relatives or the case worker) must be documented, including an explanation of the source of the information on the appropriate IV-E eligibility form, or on an attached separate sheet of paper.

6. INITIAL IV-E ELIGIBILITY DETERMINATION

The determination of IV-E eligibility of children under the legal responsibility of the agency allows the State and counties to obtain federal IV-E funding for the administrative and training costs for that child.

- A. A child who meets **all** of the eligibility criteria provided in Chapter 6.0 of the Manual is IV-E eligible. Title IV-E eligibility is determined at the time the agency obtains legal responsibility of the child via a court order or a Voluntary Placement Agreement (VPA). If a child is initially determined IV-E eligible, the child continues to be IV-E eligible, provided that none of the circumstances that cause a child to lose IV-E eligibility apply.
- B. The following criteria must be met for a child to be determined IV-E Eligible:
 - 1. The agency has legal responsibility for the child via a court order or voluntary placement agreement (VPA);
 - 2. The agency has obtained the required contrary to the welfare judicial finding in the initial court order authorizing removal of the child, if the child entered care via court order;
 - 3. The agency has obtained the required reasonable efforts to prevent removal judicial finding, if the child entered care via court order;

4. The child has been removed from the home (physically or constructively); and
 5. The child met the AFDC relatedness criteria which include the following:
 - a. Living with Specified Relative
 - b. Deprivation
 - c. Financial Need: Income and Assets
 - d. U.S. Citizenship/Legal Alien
 - e. Age/School Requirement
- C. If a child is initially determined IV-E eligible, the child continues to be IV-E eligible while under the legal responsibility of the agency, unless one of the following instances occurs, in which case the child is no longer IV-E Eligible for the duration of the out-of-home care episode;
1. The child no longer meets the age requirement as specified in Section 6.9 of this manual;
 2. The agency's legal responsibility for the child has been terminated;
 3. The child entered the agency's care and responsibility as the result of a voluntary placement agreement (VPA) and the agency failed to obtain a court order with the finding that returning home is contrary to the welfare of the child within 180 days after the child's removal date; and
 4. The child was on a trial visit home or run away status (AWOL) longer than six consecutive months, at which point the child would lose IV-E eligibility at the end of six months.
- D. If a child is initially determined not eligible for IV-E, the child cannot be IV-E eligible (or IV-E Reimbursable) at any time during that out-of-home care episode.

6.1 IV-E Eligibility / Legal Status

The first Title IV-E eligibility criterion is that the agency must have legal responsibility for the child. This must be initially achieved by either of the following:

- A. an initial court order authorizing the child's removal, or
- B. a voluntary placement agreement

6.2 Court Order Authorizing the Initial Removal / Contrary to Welfare Finding

- A. For a child to be IV-E eligible, the initial court order authorizing removal of the child must include a statement that continuation in the home would be "contrary to the welfare" of the child. (45 CFR 1356.21; s. 48.21(5)(b) 1., Stats.).

The initial court order authorizing removal of the child is usually either the temporary physical custody order (TPC) or the dispositional order. (See Section 6.4 regarding court-order requirements for out-of-home placements initially authorized under a voluntary placement agreement.)

The case worker should make every effort to ensure that the initial court order authorizing the removal of the child, even temporarily, includes the required language, otherwise the child cannot be IV-E eligible for the duration of the out-of-home care episode. All court orders must be maintained in the child's case file.

- B. The IV-E requirements also apply to delinquent youth and juveniles in need of protection or services (JIPS) placed in out-of-home care pursuant to a court order. In this instance, the juvenile meets this IV-E eligibility criterion only if the initial court order includes a statement that continuation in the home would be “contrary to the welfare” of the individual juvenile. It is permissible to include language referencing community protection so long as it is combined with a statement in the court order that addresses the reasons why remaining in the home is contrary to the individual juvenile’s welfare.
- C. If the contrary to the welfare judicial finding is not stated in the initial court order authorizing removal of the child, IV-E eligibility can be achieved only if the court transcript of the court proceedings for that particular court order contains the required judicial finding language. This is very difficult to obtain, so case workers should make every effort to ensure that the required judicial finding language is obtained in the initial court order authorizing removal of the child.
- D. A judicial finding must be made on a case-by-case basis based on child-specific circumstances. The suggested practice is that child specific findings are documented directly in the court order, but it is also acceptable for documentation (e.g., police report, caseworker court report) to be incorporated into the court order at the time of the hearing and attached to the court order.
- E. Examples of court order language that satisfy the contrary to the welfare statement requirement for children under the agency’s legal responsibility include, but are not limited to:
 - 1. The child is without proper care, custody, or support and immediate protective custody is necessary to prevent personal harm to the child...(including the child’s specific situation.)
 - 2. The removal from the home is/was necessary to protect the child...(including the child’s specific situation.)

3. The child is being neglected and is without proper care and supervision...(including the child's specific situation.)
4. The child's condition (or the circumstances surrounding his/her care) requires that custody be immediately assumed to safeguard his/her welfare...(including the child's specific situation.)
5. The child will commit or attempt to commit other offenses injurious to himself or herself and the community before the court disposition . . . (including the child's specific situation.)
6. The child's continued residence in his or her home, pending disposition, will not safeguard the best interests of the child and the community because of the serious and dangerous nature of the act(s) the child is alleged to have committed... (including the child's specific situation.)
7. The child is in need of placement services to protect himself and the community from injury...(including the child's specific situation.)
8. The child is in immediate danger of imminent serious physical injury or sexual abuse...(including the child's specific situation.)
9. The juvenile's continued residence in his home, pending disposition, will not safeguard the well being of the juvenile and the safety of the community because of the serious and dangerous nature of the act(s) the child is alleged to have committed as detailed in the police report that is attached to this order.

F. Affidavits or nunc pro tunc orders are not acceptable for meeting the contrary to welfare judicial language requirement (per 45 CFR 1356.21).

A nunc pro tunc order is an order in and of itself that provides new information to reflect back to a previous court order that should have included specific information that was inadvertently omitted. Nunc pro tunc literally means "now for then."

Nunc pro tunc orders were used in the past for IV-E purposes when previous orders inadvertently omitted the required "contrary to the welfare" judicial finding for Title IV-E eligibility. These orders are not allowed for IV-E purposes under the federal regulations. Court orders must have the required judicial findings in the actual orders on the date the court order was issued.

From a IV-E perspective only, if a judge or court commissioner signs the court order after the heard date of the order, and uses "Nunc Pro Tunc" to date his/her signature on the order back to the heard date, this does not affect the ability to claim IV-E. The heard date of the court order is used to determine when a

judicial finding of CTW or REPR or REPP occurred, as well as when legal responsibility was established.

- G. Court orders solely referencing the State law are not accepted for meeting the contrary to welfare judicial language requirement (per 45 CFR 1356.21). For example, if the state law says that a child can be placed in out-of-home care only if it is contrary to the welfare of the child to remain home, it is not acceptable for the court order to simply refer to that law. There must be a specific statement of the child's situation and why that situation meets the eligibility criterion.
- H. The contrary to welfare judicial finding should be stated in the court order or in a document attached by reference. The only exception to this is if the court transcript of the court proceedings for that particular court order contains the required judicial finding language. This is very difficult to obtain so workers should make every effort to ensure the required judicial finding language is obtained in the initial court order authorizing removal of the child.

6.3 Judicial Language / Reasonable Efforts to Prevent Removal Finding

- A. There must be a court order **within 60 days after the child's removal** that contains a judicial finding that "reasonable efforts to prevent removal and return the child/juvenile safely home were"
 - 1. "made by the department or agency responsible for providing services in the following manner:" – This finding is applicable in instances where the child was known to be at risk prior to any petition for the care of the child. The agency had some opportunity to work with the family to eliminate the need to remove the child.
 - 2. "not possible due to the following emergency situation:" – This statement is applicable in emergency situations where the child must be removed immediately due to the severity of the situation and protection of the child.
 - 3. "not required under s. 48.355(2d) and 938.355(2d) because:" – Aggravated circumstances exist, including parental abandonment, torture, chronic abuse and sexual abuse; the parental rights of the parent to another child have been involuntarily terminated; the parent has been convicted of certain felonies committed against the child or another child of the parent.

If the reasonable efforts to prevent removal finding is not obtained within 60 days from the child's removal, the child cannot be IV-E eligible for the duration of the out-of-home care episode.

- B. The reasonable efforts to prevent removal and return the child/juvenile safely home judicial finding as stated above should be stated in the court order or in a document attached by reference. The only exception to this is if the court

transcript of the court proceedings for that particular court order contains the required judicial finding language. This is very difficult to obtain so workers should make every effort to ensure the required judicial finding language is obtained timely. A judicial finding must be made on a case-by-case basis based on child-specific circumstances. The suggested practice is that child specific findings are documented directly in the court order, but it is also acceptable for documentation (e.g., police report, caseworker court report) to be incorporated into the court order at the time of the hearing and attached to the court order.

- C. Some examples of judicial language that satisfy the “reasonable efforts to prevent removal” requirement include, but are not limited to:
1. The court finds that the worker/agency made reasonable efforts in trying to maintain the child in his/her own home...(including the child’s specific situation.)
 2. The court finds that the worker/agency made reasonable efforts to prevent the removal of the juvenile from the home by...(including the child’s specific situation.)
 3. Due to the circumstances presented, there was an immediate danger to the child that would not have been mitigated by the provision of preventive services...(including the child’s specific situation.)
 4. Due to the emergency situation as presented in the attached police report dated October 1, 2003, the lack of preventive efforts to maintain the child in his home was reasonable...(including the child’s specific situation.)
- D. Affidavits or nunc pro tunc orders **are not accepted** for meeting the reasonable efforts to prevent removal judicial finding requirement (Ref. 45 CFR 1356.21)
- E. Court orders solely referencing the State law **are not acceptable** for meeting the reasonable efforts to prevent removal judicial finding requirement. The judicial finding must be stated in the court order.

6.4 Voluntary Placement Agreement

- A. A voluntary placement agreement (VPA) is a signed written agreement between the agency, the parent(s) or the legal guardian(s) of the child, and the child if the child is age 12 or older, which is binding on all the parties to the agreement, and is a revocable agreement. It specifies the legal status of the child and the rights and obligations of the parent(s) or legal guardian(s) and the county agency while the child is in out-of-home care.
- B. Federal law allows IV-E eligibility (and IV-E reimbursability) to continue for 180 days under a voluntary placement agreement (VPA) without a court order. If the

child remains in care beyond 180 days without acquiring a court order with a finding that returning home is contrary to the child's welfare, the child would lose IV-E eligibility for the balance of the out-of-home care episode.

- C. If a child enters care through a voluntary placement agreement that is effective for less than 180 days, the worker must determine if contrary to welfare language is obtained within 180 days from removal. If CTW language is obtained within 180 days from removal, but after the VPA has expired, it is permissible to claim maintenance when the VPA is effective and resume claiming the beginning of the month in which CTW language is obtained (assuming all other criteria are met).
- D. If a child enters care through a voluntary placement agreement that is effective for less than 180 days, and contrary to welfare language is not obtained within 180 days from removal, the case becomes ineligible when the VPA expires.

For those children who enter the agency's care and legal responsibility via a VPA, a judicial finding that "reasonable efforts to prevent removal" is not required for meeting IV-E eligibility.

6.5 Court Order IV-E Effective Date

Court-related IV-E effective dates are determined by utilizing the court hearing date on the relevant court order, not the date that the court order is signed.

6.6 AFDC Relatedness Criteria; General Information

The eligibility of the child is based on Title IV-A (AFDC), Part A, of the Social Security Act as the program was in effect in Wisconsin on July 16, 1996. In all references to AFDC relatedness, the eligibility of the child is based on the AFDC program in effect in Wisconsin's State Plan on July 16, 1996.

6.7 Eligibility Month

- A. AFDC relatedness criteria must be based upon information within the eligibility month. The only exception to this is the specified relative criterion. This must be met at some point within the six months prior to or during the eligibility month.
- B. The **eligibility month** is the month of the initiation of court proceedings that led to the removal of the child, or the date a voluntary agreement (VPA) was signed by the last party whose signature is required. An example of the initiation of court proceedings is typically a petition or a temporary physical custody request. If there is not a TPC request or a petition, the worker can use the date of the initial court order that authorized the child's removal to establish the eligibility month. This is an uncommon situation however, and it should be clearly documented in the file that an attempt was made to retrieve the TPC request/petition because

verification would be needed to support the use of the initial order to determine the eligibility month.

- C. The date the child entered out-of-home care does not necessarily define the eligibility month. The date a child was removed or was placed in out-of-home care may be different than the date of the actual petition or initial order authorizing removal. As stated above, the eligibility month is the month of the initiation of court proceedings or signed VPA that led to the child's removal, not the date of the removal or placement.
Likewise, the eligibility month should not be confused with the effective date for claiming eligibility. Please see Chapter 11.0 for information on IV-E claiming dates.

6.8 Determination of AFDC Relatedness

- A. The Medical Assistance (MA) program has been revised by the federal welfare reform legislation to ensure that individuals who would have been categorically eligible for MA due to receipt of AFDC can continue to be determined MA eligible. This revision also maintained a process for determining AFDC-Relatedness for Title IV-E purposes.
- B. The new "AFDC-MA" Medical Assistance eligibility status code was established to identify those recipients who are MA eligible because they met the Wisconsin AFDC program requirements in existence as of July 16, 1996. Prior to termination of the AFDC program, an inquiry into CARES or MMIS determined if the child was in receipt of AFDC prior to removal.
- C. With the establishment of the AFDC-MA code, an inquiry should be made into CARES or MMIS to determine if the child was in receipt of MA due to AFDC-MA. In CARES, the AFDC-MA code is identified as MA-R or MA-U; in MMIS AFDC-MA is identified as status codes 31, 32, WH, WN, and WU. One of these codes in the eligibility month will satisfy the AFDC-Relatedness test for Title IV-E eligibility.
- D. Additionally, a child may meet the IV-E AFDC-MA or AFDC-MA Related requirement, if they are identified as AFDC-MA Related Categorically Needy in the eligibility month. In CARES the AFDC-MA code is identified as MAO-R, MAO-U, ADC-R, and ADC-U; in EDS, the AFDC-MA code is identified as status codes 38 and UA.
- E. A child meets the AFDC Relatedness (using the AFDC plan in effect on July 16, 1996) if one or more of the following four conditions is met:
 - 1. The child was in receipt of AFDC-MA (or was AFDC-MA Related) in the eligibility month and this decision was based on the child's removal home;

2. The child would have received AFDC-MA (or was AFDC-MA Related) in the eligibility month if an application had been made. Examples of documentation indicating that a child would have received AFDC-MA include a court report or case notes that discuss the AFDC group member's employment status and wage information, or a note from a worker who is familiar with the case;
3. The child lived with a specified relative in the eligibility month and any member of the child's AFDC group received or would have received AFDC-MA (or was AFDC-MA Related);
4. The child lived with a person who is not a specified relative, but did reside with a specified relative within 6 months prior to the eligibility month. If any member of the child's AFDC group (based upon the IV-E removal home) received or would have AFDC-MA (or AFDC-MA Related) in the eligibility month the child meets AFDC relatedness.

F. **AFDC Criteria Applicable For Initial IV-E Eligibility**

If a child is not in receipt of the appropriate AFDC-MA for IV-E as detailed above in Section 6.8, the worker must then make a determination based on information applicable during the eligibility month to determine if the child would have been eligible for AFDC if an application had been made.

The child meets AFDC Relatedness if **all** of the AFDC criteria applicable for Title IV-E eligibility purposes are met in the eligibility month. One exception to this is the specified relative removal criterion. This must be met either during the eligibility month, or within six months prior to the eligibility month. The child must meet the following five AFDC criteria, identified in Sections 6.9 through 6.25 to meet AFDC Relatedness for IV-E: age, citizenship, lived with a specified relative, deprivation, and financial need (income and resources.)

6.9 AFDC Relatedness; Age Criteria

To be IV-E eligible, the child must be under the age of 18 or be 18 and enrolled in a secondary school or its vocational or technical equivalent (including GED classes) and expected to complete the program by age 19.

- A. If a child graduates from a secondary school or its vocational or technical equivalent after turning 18, IV-E claiming should cease when the child graduates.
- B. If a child graduates from a secondary school or its vocational or technical equivalent before turning 18 claiming should cease when the child turns 18.

6.10 AFDC Relatedness; Citizenship Criteria

For IV-E eligibility, the worker must verify U.S. citizenship by birth, naturalization or legal admittance for permanent residence in the United States. A child who is in the U.S. under a visitor or tourist's visa or under a student arrangement does not meet the citizenship criterion for AFDC Relatedness and is not IV-E eligible.

- A. Under federal law, the term **“qualified alien”** includes, but is not limited to, the following:
 - 1. A legal alien with permanent residency;
 - 2. An alien who is granted asylum;
 - 3. A refugee admitted under federal law;
 - 4. An alien whose deportation is being withheld;
 - 5. A Cuban or Haitian entrant; or
 - 6. An alien or the child or parent of an alien who has been battered or subjected to extreme cruelty in the U.S.
- B. Alien status, as specified above, is an individual eligibility requirement. If a parent is an alien, the child is not automatically an alien. It is the responsibility of the worker to verify the citizenship or immigrant status of children applying for Title IV-E benefits. For most children, who presumably will have been born in the U.S., or whose parent or parents were presumably born in the U.S., the child's birth certificate or the parent's place of birth most easily verifies citizenship status. For non-citizens, “qualified alien” status can be verified by other INS documents, such as those granting permanent residency (I-94, Alien Registration Card) or refugee status.
- C. If a mother is a naturalized U.S. citizen and the baby was not born in this country, the baby's citizenship status would depend on whether the baby was born before or after the mother became a U.S. citizen. If a child were born after his/her mother became a naturalized citizen, the child would automatically be a U.S. citizen even though the child was born in a different country. If the child were born before the mother became a naturalized US citizen (and the baby was born in a different country), then the worker would need to check on the child's citizenship status. Usually, when a parent becomes a naturalized U.S. citizen and the baby is living with the parent in the U.S., the baby would also become a US citizen.

6.11 AFDC Relatedness; Specified Relative

For a child to meet initial IV-E eligibility, the child must have lived with a specified relative during the eligibility month, or within any of the six months prior to the eligibility month.

6.12 Definition of a Specified Relative

The specified relative must be related to the child under review by blood, adoption, or marriage. Relatives by blood or marriage must be within the 5th degree of kinship. A person who is or was married to a relative within the 5th degree of kinship can also be considered a specified relative.

- A. In accordance with the AFDC requirements in effect in July 1996, a specified relative includes the following relatives who are related to the child by blood, adoption, or marriage:

First degree

Father or Mother

2nd degree

Brother or Sister

Grandfather or Grandmother

3rd degree

Aunt or Uncle

Nephew or Niece

Great Grandfather or Great Grandmother

4th degree

Great Aunt or Great Uncle

First Cousin

Great-Great Grandfather or Great-Great Grandmother

5th degree

Great-Great Aunt or Great-Great Uncle

First Cousin once removed (child of a first cousin)

Great-Great-Great Grandfather or Great-Great-Great Grandmother

6.13 Determination of Removal Home/Specified Relative

- A. **Removal Requirement:** To meet initial IV-E eligibility, a child must have been removed from the home within six months prior to or six months after the eligibility month. “Home” for Title IV-E purposes means either the person(s) who has legal custody of the child under review or parent(s) of the child under review. A guardian has the rights and responsibilities of legal custody except when legal custody has been vested in another person or agency.

B. There are two types of removal when determining the removal home: physical removal and constructive removal.

1. **Physical removal** occurs when the agency has physically removed the child from the home.
2. **Constructive removal** is considered “paper removal”. The agency has obtained legal responsibility for the child, but the agency did not physically remove the child from his/her current residence.

C. There are four scenarios for meeting the living with specified relative and removal criteria. They are the following:

1. The agency removed the child from a specified relative who had legal custody of the child or a parent.
 - a. Removal home is the home of the specified relative, and person(s) who have legal custody or parent(s).
 - b. Date of removal is the date the agency removed the child.

Case Example: The child was living with mother at the time the agency removed the child from mother’s home on December 12, 1999 via court order. The mother’s home is the removal home and December 12, 1999 is the removal date (physical removal).

2. The agency removed the child from a non-specified relative but the child did live with a specified relative and person(s) who have legal custody or parent(s) within six months prior to the eligibility month.
 - a. Removal home is the home of the specified relative and person(s) who have legal custody or parent(s) with whom the child resided within six months prior to the eligibility month.
 - b. Date of removal is the date the agency removed the child.

Case Example: The child had been living with friends for two months preceding the time police removed the child on May 13, 2000. The agency filed temporary physical custody order on May 14, 2000. Prior to living with her friends, the child was living with her parents until March 13, 2000. The parents’ home is the removal home and May 13, 2000 is the removal date (physical removal).

3. At the time of initiating legal responsibility, the child was living in the home of a non-parent specified relative, and the agency left the child with the non-parent specified relative. The child did, however, live with a different specified relative and person(s) who have legal custody or parent(s) within six months prior to the eligibility month.
 - a. Removal home is the home of the most recent specified relative and person(s) who have legal custody or parent(s) with whom the child resided within six months prior to the eligibility month.
 - b. Date of removal is the date of the first judicial order removing the child or the date that all relevant parties sign the voluntary placement agreement.

Case Example: The child was living with his father until March 22, 2000, at which time he went to live with his aunt. On April 3, 2000 the agency placed the child into the aunt's home via court order. The father's home is the removal home and April 3, 2000 is the removal date. (constructive removal)

4. The child resides in a three-generation household comprised of the child under review, his/her parent, and his/her grandparent. Within six months prior to the eligibility month, the child's parent leaves the home. The agency places the child into the grandparent's home via court order or VPA.
 - a. Removal home is the home of the parent(s) or person(s) who have legal custody of the child.
 - b. Date of removal is the date of the first judicial order removing the child or the date that all relevant parties sign the voluntary placement agreement.

Case Example: The child was living with her grandmother and mother, and on January 1, 2004 the mother leaves the home. The grandmother contacts the agency for assistance and the agency petitions the court on May 1, 2004. On May 3, 2004 the agency places the child into the grandmother's home via court order. The child's mother is the removal home and May 3, 2004 is the removal date. (constructive removal)

- C. If a finalized adoption disrupts and the child returns to out-of-home care and agency legal responsibility, the adoptive family's home is the removal home.

- D. If an infant is taken directly from a hospital or prison after birth and placed into out-of-home care, the mother's home would be considered the removal home and therefore the child would meet the "living with a specified relative" criterion.
- E. If a child is residing with his/her adult parent, this is not considered an out-of-home placement.

6.14 Determination of AFDC Group

- A. The AFDC group is the grouping of persons from the removal home, during the eligibility month, whose income and resources must be considered when determining if the child meets the financial need (income and assets criteria) for AFDC relatedness.
- B. If the child was removed from the parent's home, the AFDC group would include all of the following individuals residing in the removal home at the time the child left the removal home:
 - 1. Child, and
 - 2. Birth or adoptive parents, and
 - 3. Any minor siblings (birth, adoptive or half) of the child who are under the age of 18, and
 - 4. Any minor siblings of the child's siblings (e.g., the half sister of the child's half brother), and
 - 5. The parent (biological/adoptive) of any minor sibling (biological/adoptive/half) who is in the AFDC group.

There is one exception to Subsection 6.14.B. When the child under review is a pregnant minor or a minor parent, if it is beneficial to the pregnant minor or minor parent's AFDC group, they may be financially determined separately. (The child of the minor parent must be included in the AFDC group if he/she was also residing in the home.) The income of the deeming group per Subsection 6.23.A would be calculated and deemed per Section 6.24 to determine AFDC eligibility of the pregnant minor or minor parent's group

- C. If the child was removed from the home of a specified relative other than the parents the AFDC group would include all of the following individuals residing in the home with the child at the time the child left the removal home:
 - 1. Child, and
 - 2. Any minor siblings (birth, adoptive or half) of the child who are under the age of 18, and
 - 3. Any minor siblings of the child's siblings (e.g., the half sister of the child's half brother), and
 - 4. The parent (biological/adoptive) of any minor sibling (biological/adoptive/half) who is in the AFDC group.

There is one exception to Subsection 6.14.C. When the child under review is a pregnant minor or a minor parent, if it is beneficial to the pregnant minor or minor parent's AFDC group, they may be financially determined separately. (The child of the minor parent must be included in the AFDC group if he/she was also residing in the home.) The income of the deeming group per Subsection 6.23.A would be calculated and deemed per Section 6.24 to determine AFDC eligibility of the pregnant minor or minor parent's group.

- D. Any household members receiving SSI benefits are not counted as a member of the AFDC group unless the household member is the child under the legal responsibility of the agency. In addition, the SSI benefits and any other income or assets of the SSI recipient, including the child under the agency's legal responsibility, are not counted in determining financial need. (Financial need is covered in Sections 6.14 through 6.25 of this manual.)
- E. An adoptive sibling, who is receiving adoption assistance, should be excluded from the AFDC group. (The adoptive sibling's income and assets would also be excluded.)
- F. If the child under the agency's legal responsibility and under review is receiving adoption assistance, do not count the child's income and resources when determining financial need. The child should, however, be counted as a member in the AFDC group size.

6.15 AFDC Relatedness; Deprivation Criteria

For a child to be initially IV-E eligible, the child must be deprived of the support of either one or both parents in the removal home in or for the eligibility month. If there is deprivation at any point in time in the eligibility month, there is deprivation for the entire month.

For initial determinations in which a child is removed from a two-parent household on or after August 1, 2003, the child is considered deprived if the household meets the financial need requirements referred to in Section 6.25. For ongoing IV-E determinations in which the review period is on or after August 1, 2003, the child is considered deprived if the household meets the financial need requirements referred to in Section 6.25.

The child meets deprivation if the child is deprived of the support of one parent in the removal home due to one of the following circumstances:

1. Death
2. Separation: One of the parents is not living in the same house.

3. Continual Absence: One of the parents is continually absent from the home where the child resides for any reason except military service. "Continually absent" means that the parent's absence interrupts or ends his/her parental role of providing maintenance, physical care, or guidance to the child; and the known or indefinite length of the absence is such that he/she can't be counted on for planning the child's present support or care.
4. Institutionalized/Incarcerated: One of the parents is in an institution or incarcerated in the eligibility month.
5. Incapacitated or Disabled: The parent must be determined, by means of competent testimony by a physician, hospital, chiropractor, psychologist, or optometrist, to be disabled or incapacitated for a period of at least 30 days. If the parent(s) is receiving SSI or Social Security payments because of disability or blindness (OASDI), the incapacitation requirement is met and verification of the SSI or other disability payments shall be included in the record (such as a copy of an award letter, copy of a check, case worker documentation, etc.) Chemical/alcohol dependency can be used as a form of incapacitation for meeting deprivation, but it is important that the finding of chemical/alcohol dependency be severe and be a professional assessment from a physician, hospital, chiropractor, psychologist or a medical staff member in an institution where the parent resides.
6. Termination of Parental Rights: If there has been a termination of parental rights (TPR), voluntary or involuntary, the child is deprived from the date of the TPR.
7. Unemployment of the Principal Wage Earner: For children entering care prior to August 1, 2003, if a child lives with both parents, the child is deprived of parental support when either parent is the principal wage earner and is employed less than 100 hours in the eligibility month or exceeds 100 hours for a particular month if the work is intermittent and temporary. Work may be considered temporary if the unemployed parent worked fewer than 100 hours in each of the preceding two months and is expected to work less than 100 hours in the following month. The **principal wage earner** is the parent who earned the greater amount in the 24-month period prior to the eligibility month.
8. AFDC-Relatedness: The child is considered deprived if the child or a member of the child's AFDC group is in receipt of AFDC-MA or was AFDC-MA related in the eligibility month. This is based on the removal home.

6.16 AFDC Relatedness; Financial Need and Asset Limits

Asset is defined as a "a useful or valuable thing" that a person possesses or owns. An asset is determined by its equity value, which is the current market value minus any debts still owed on the asset. The maximum value of assets of the child's AFDC group must be less than \$10,000 for the child to meet the asset limit for the financial need criterion. Countable assets and exempted (not counted) assets are provided below:

A. Countable Assets include:

1. Bonds;
2. Credit union savings;
3. Income property;
4. Real estate, except the home in which the family resides;
5. Savings accounts;
6. Checking accounts;
7. Savings bonds;
8. Stocks;
9. Vacation home (not the family's residence); and
10. Vehicles (the first \$1500 of equity value is exempt for one vehicle).
11. 401K accounts

B. Exempt Assets include:

1. Inaccessible trusts (include per capita tribal payments to child in out-of-home care);
2. Burial plot (one per household member);
3. Home of residence and surrounding acreage;
4. Funds for relocation (Uniform Relocation Act);
5. Household furnishings and clothing;
6. Personal jewelry; and
7. Farm/business inventories used to produce income.

C. The asset limit prior to November 1, 1997 is \$1,000. The asset limit from November 1, 1997 to December 13, 1999 is \$5,000 due to the implementation of ASFA. The asset limit after December 14, 1999 is \$10,000 due to the Chafee Foster Care Independence Act.

6.17 AFDC Relatedness; Financial Need and Income Standards

Income available to a child must meet the AFDC relatedness income requirements in the eligibility month. This income is calculated utilizing countable earned and unearned income of the AFDC group and the deeming group.

6.18 Overview of Income Standards

The countable earned and unearned income available to the child must not exceed the income limit for the child's AFDC group size. The income limits are based on Wisconsin's 100% AFDC Need Standards for the child's AFDC group size effective July 1996. Refer to Appendix A: Wisconsin's 100% AFDC Standard of Need Effective July 1996.

To meet the financial need income criterion, the child's AFDC group's countable earned and unearned income, after allowable deductions, must not exceed the child's AFDC group's income limit provided in Appendix A.

6.19 Converting Income to Monthly Amounts

When determining the earned and unearned income amount of the child's AFDC group, when possible use the actual monthly income. If the worker must convert income payments into a monthly amount use the following method:

1. Income received bi-weekly (paid every other week) or semi-monthly (paid twice per month) must be multiplied by 2;
2. Income received weekly must be multiplied by 4 or 5 (depending on the number of paychecks received that month); and
3. Income received quarterly (paid once every three months) must be divided by 3.

6.20 Countable Earned Income

Earned income is income in cash or in-kind for which a person performs a service. Sources of countable earned income include:

1. Bonuses;
2. In-kind income for work (e.g., shelter received for work);
3. Longevity pay;
4. Wages, salaries, tips (before taxes);
5. Work-study;
6. Worker's Compensation.
7. Self-employment/farm income; and
8. Severance pay; and
9. Huber payments. Include the Huber payment in the household income only if the Huber payment goes directly to the removal home.

6.21 Countable Unearned Income

Unearned income is income received by an individual for which no service is performed. Sources of countable unearned income include:

1. Armed forces pension or disability allotment;
2. Child support/alimony (minus first \$50 received per month);
3. Disability insurance (sick payments);
4. Dividend payment;
5. Income continuation payments;
6. Income from relatives, income **deemed** from relatives/stepparents;

7. Inheritance payments;
8. Interest, money payments;
9. Money from churches, charitable organizations, friends, lodges, or unions;
10. Retirement or Pension (union, private or government);
11. Social Security benefits (but not SSI);
12. Striker's benefits;
13. Unemployment compensation; and
14. Veteran's benefits.

6.22 Exempt Earned and Unearned Income

A. Certain types of earned and unearned income are exempt (not counted) in determining if the child meets the financial need requirement for AFDC eligibility. Sources of exempt earned and unearned income include, but are not limited to:

1. Supplemental Security Income (SSI);
2. Repayments of a previous overpayment to a particular income source;
3. Food programs, such as food stamps, WIC, USDA food surplus, etc.;
4. Loans or grants administered by the U.S. Commissioner of Education;
5. Foster care payments;
6. Adoption Assistance payments;
7. Earned income (including financial aid) of full time students under age 19 or part time students under 19 who are employed less than 30 hours per week;
8. Trust funds not available on demand;
9. Loans, including reverse equity loans, endorsed for repayment;
10. Kinship Care payments;
11. Lump Sum Payments: A lump sum payment is a non-recurring or advance payment not earmarked for a specific purpose. Examples of unearned lump sum payments are retroactive social security benefits, stock dividends, life insurance settlements, etc. The agency uses lump sum payments to recover the out-of-home care and medical expenditures incurred on behalf of a child. Any balance remaining from the lump sum payment shall be placed into the child's account or a trust fund for the child. Dedicated awards or trust funds may not be used to support the cost of care; and
12. W2 Payments.

6.23 Developing the Deeming Group

“Deeming” means determining the amount of the deeming group’s income to be included in the total gross income available to the AFDC group of the child under review. The deemed income is applied towards determining if the child meets the IV-E eligibility criterion for financial need.

The “Deeming group” means the person(s) whose income is deemed toward the child under review.

The “Deeming group’s AFDC group” means the grouping of person(s) who establish the AFDC group number for the deeming group.

A. Pregnant Minor / Minor Parent

Some persons in the household may not qualify to be in the child’s AFDC Group, or persons may be excluded from the AFDC Group of a pregnant minor or minor parent if it will allow the child to qualify for IV-E eligibility. However, if the person excluded from the AFDC Group has a legal responsibility to support someone in the AFDC group, some of his/her income must be considered when determining the child’s IV-E eligibility. Subsection 6.23.A will cover how this is done.

1. In the case of a minor parent or pregnant minor, when beneficial, the deeming group would include the parent (biological/adoptive) who is residing in the removal home of the minor parent/pregnant minor. Those included in the deeming group has their income deemed toward the child under review. (The income of the parent would only be deemed if they are not already included in the minor parent/pregnant minor’s AFDC group.)
2. The Deeming group’s AFDC group number would include everyone in the removal home who is not in the child’s AFDC group and for whom the Deeming group is legally responsible. The only person(s) for whom the Deeming group can be legally responsible includes themselves, their spouses, and their minor children (even if any of the above individuals were on SSI). Those individuals in the Deeming group’s AFDC group would **not** have their income included in the Deeming group (aside of course from the person(s) in the Deeming group as explained in Subsection 6.23.A.1.). The individuals listed in this section are included in the Deeming group’s AFDC group number only if they were residing in the removal home.

For Example: Amy Dear was removed from her home on 1/1/03. The removal household included Amy (who is a pregnant minor in her 6th month), her biological mother, and Amy’s three minor siblings. The mother is employed and earned \$1,000 in the eligibility month. One of Amy’s siblings receives \$450.00 in SSDI payments each month. There is no other income to the household. They reside in Grant county.

- If we did not create a deeming group, Amy’s AFDC group would include Amy, Amy’s mother, and Amy’s three siblings. The 100% Standard of Need Worksheet would be filled out as follows:

Total Countable Gross Earned Income	= \$1000
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Subtract \$90 for each working AFDC group member	= \$910
Subtract \$30 Disregard for each worker AFDC group member	= \$880
Multiply Subtotal by .666	= \$586.08
Subtract Dependent Care Costs (\$0)	= \$586.08
Add total Countable Unearned Income (\$450)	= \$1036.08
Subtract court ordered child support/alimony paid (\$0)	= \$1036.08
Total Adjusted Income	= \$1036.08

The AFDC group is 5.

In Grant county the 100% Standard of Need for five people is \$861. \$1036.08 is larger than \$861 therefore the case would be ineligible for IV-E reimbursement.

- If however we did create a deeming group, the deeming group would include Amy's mother. The Deeming group's AFDC group would include Amy's mother and Amy's three minor siblings. The Deeming Worksheet would be filled out as follows:

Gross Monthly Countable Earned Income	= \$1000
Subtract \$90 Work Expense per employee	= \$910
Subtract Dependant Care Expenses (\$0)	= \$910
Add Countable Unearned Income (\$0)	= \$910
Subtract Child Support/Alimony (\$0)	= \$910
Subtract 100% Need Standard (for deeming group's AFDC group)	(- \$749) = \$161
Total Deemed Income	= \$161

The 100% Standard of Need Worksheet would be filled out as follows and would include only Amy:

Total Countable Gross Earned Income	= \$0
Subtract \$90 for each working AFDC group member	= \$0
Subtract \$30 Disregard for each worker AFDC group member	= \$0
Multiply Subtotal by .666	= \$0
Subtract Dependent Care Costs (\$0)	= \$0
Add total Countable Unearned Income (\$0)	= \$161
Subtract court ordered child Support/alimony paid (\$0)	= \$161
Total Adjusted Income	= \$161

The AFDC group is one.

In Grant county the 100% standard of Need for one person is \$301. \$161 is less than \$301 therefore if all other IV-E criteria were met the case would be eligible for IV-E reimbursement.

3. If it is beneficial to deem those who are residing in the removal home with a pregnant minor/minor parent this should be done and reflected on the CFS-205 form.
4. Women in their 8th or 9th month of pregnancy are entitled to an addition \$71 dollars in their need standard.

D. Stepparent Deeming

When a child is removed from a home that includes a stepparent, the worker may need to deem income from the stepparent. The only instance in which the worker would deem income from a stepparent is when the child's parent is a member of the child's AFDC group.

1. If the worker is deeming the stepparent's income, the Deeming group would include the stepparent who is residing in the removal home of the child under review.
2. The Deeming group AFDC group number would include the stepparent and the dependent(s)/children of the stepparent who were residing in the removal home and who are not related to the child under review. The dependent(s)/children of the stepparent's income would not be included in the deeming group.
3. Some Exceptions to Stepparent Deeming:
 - a. One circumstance in which a stepparent's income would not be deemed is if the stepparent must be included in the child under review's AFDC group. This occurs if a minor sibling to the child under review is in the child under review's AFDC group because of a legal sibling relationship to that child. That minor sibling automatically pulls his/her parents (biological or adoptive) and full and half siblings (biological or adoptive) into the AFDC group if they are residing in the removal home. Therefore, in this circumstance the stepparent's income would be included in the AFDC group determination and would not be deemed.

For Example: Marilyn Black was residing with her mother Jane, her stepfather Norm, her full sibling Emily, and her half sibling Harry. Harry's parents are Jane and Norm. Marilyn's stepfather earned \$1000 in the eligibility month. There is no other income to the household. The family resided in Monroe County.

- Marilyn's AFDC group would include Marilyn, her mother Jane, her full sibling Emily, her half sibling Harry, and because Harry pulls his parent who is residing in the removal home into the AFDC group, Marilyn's stepfather Norm would be included as well. The 100% Standard of Need Worksheet would be filled out as follows:

Total Countable Gross Earned Income	= \$1000
Subtract \$90 for each working AFDC group member	= \$910
Subtract \$30 Disregard for each worker AFDC group member	= \$880
Multiply Subtotal by .666	= \$586.08
Add total Countable Unearned Income	= \$586.08
Subtract Dependent Care Costs	= \$586.08
Total Adjusted Income	= \$586.08

The AFDC group is 5.

In Monroe county the 100% Standard of Need for five people is \$861.

\$586.08 is less than \$861 therefore if all other criteria were met the case would be eligible for IV-E reimbursement.

- b. Another circumstance in which the worker would not deem from the stepparent is when the parent of the child under review is on SSI or is not residing in the removal home.

6.24 Deeming Income

- A. The following steps should be completed to determine the deemed income amount in the worksheet provided below.

Step 1: Determine the deeming group's countable gross earned income in the eligibility month.

Step 2: Subtract a maximum of \$90.00 earned income deduction from the wages of each person in the deeming group that is working.

- Step 3: Subtract dependent care expenses paid by the deeming group for a dependent that is a member of the deeming group's AFDC group. (Up to \$200 is allowed for dependents under the age of 2; \$175 is allowed for dependents 2 years of age or older.)
- Step 4: Add countable unearned monthly income.
- Step 5: Subtract any court ordered child support and alimony, and any payments to support someone who is or who could be claimed for federal income tax purposes and who is not in the household.
- Step 6: Determine the AFDC group size for the deeming group. See Section 6.23 for information on determining the AFDC group size for the deeming group. (Members of the deeming group are not counted in the AFDC group size for the child under review.) For any person in the deeming group who is receiving SSI, their income is not considered, however they should still be counted in the deeming group's AFDC group size per the AFDC Handbook, Deeming Unit, 12.2.31.8.
- Step 7: Subtract the 100% Standard of Need amount for the deeming group's AFDC group size. (Refer to Appendix A: Wisconsin's 100% AFDC Standard of Need Effective July 1996.) Women in their 8th or 9th month of pregnancy are entitled to an addition \$71 dollars in their need standard.
- Step 8: The total remaining ("Total Deemed Income") is the income to be deemed to the child and is added as unearned income available to the child.

<u>Deeming Income Worksheet</u>	
Gross Monthly Countable Earned Income	\$
Subtract \$90 Work Expense (per employee)	-\$
Subtotal	\$
Subtract Dependent Care Expenses	-\$
Subtotal	\$
Add Countable Unearned Income	-\$
Subtotal	\$
Subtract Child Support/Alimony	-\$
Subtotal	\$
Subtract 100% Need Standard (For Deeming Group's AFDC group)	+\$
Total Deemed Income*	\$
*Total deemed income is the portion of the income that must be included as unearned income to the child under review when determining if the child meets financial need.	

6.25 100% Standard of Need Income Test

- A. The worker must determine the members of the AFDC group (in the removal home) to determine the AFDC group size and the total income that is to be counted as available to the child. Refer to Section 6.14 for an explanation of how to determine this.
- B. The child's AFDC group must pass the 100% Standard of Need Income Test for determining if the child meets the 100% AFDC Need Standard for financial need under the AFDC relatedness criteria. Women in the 8th or 9th month of their pregnancy are entitled to an additional \$71 in their need standard.
- C. Income Calculation for AFDC 100% Standard of Need Test

The child's AFDC group's countable earned income minus allowable deductions must not exceed the AFDC 100% Standard of Need for the AFDC group size as provided in Appendix A: Wisconsin's 100% Standard of Need as of July 16, 1996. This is determined by subtracting allowable deductions from the countable earned income (not less than zero), and adding this adjusted earned income to the countable unearned income and any deemed income from a stepparent.

The following steps should be followed when completing the income worksheet:

- Step: 1. Earned Income: Provide the total monthly-earned income of the child's AFDC group members (including the child). The earned income of full-time students (who are under 18) in the AFDC group is exempt.
- Step: 2. Work Allowance: Subtract a maximum of \$90.00 work expense allowance from **each** employed person's earnings in the AFDC group.
- Step: 3. \$30 and 1/3 Income Disregards: Subtract a maximum of \$30 from **each** employed person's earnings and subtract 1/3 of the gross adjusted earned income.
- Step: 4. Dependent Care: If a person in the AFDC group is paying for dependent care for a child or an adult member of the AFDC group because they are elsewhere due to employment, the dependent care expense may be deducted. The amount of the expense that may be deducted includes:
 - a. \$175 for dependents over age 2, and

- b. \$200 for dependent children age 2 or under.

In some instances, the amount of allowable deductions may allow a family, who would otherwise not qualify, to meet the AFDC income guidelines; therefore, it is imperative that these expenses are recorded on Form CFS-205.

- Step: 5. Add the child's AFDC group's total monthly unearned income. Deemed income would be included in the total amount of monthly unearned income as would child support payments. If child support is being received, the worker can subtract \$50 total per month for child support and cannot subtract more than \$50 in a month in child support deductions. Child support is considered the child's unearned income, not the parent's.
- Step: 6. Subtract any court ordered child support and alimony, and any payments to support someone who is or who could be claimed for federal income tax purposes and who is not in the household.
- Step: 7. If the income is less than the 100% AFDC Need Standard, the child meets the income requirement for AFDC eligibility. Women in their 8th or 9th month of pregnancy are entitled to an addition \$71 dollars in their need standard.

E. The table below provides a worksheet for conducting the income calculation:

<u>100% Standard of Need Test Worksheet</u>	
Total Countable Gross Earned Income	\$
Subtract \$90 for each working AFDC group member	- \$
Subtotal	\$
Subtract \$30 Disregard for each working AFDC group member	- \$
Subtotal	\$
Multiply Subtotal By .666 and Enter On This Line (1/3 Income Disregard)	\$
Subtract Dependent Care Costs (\$175 per dependent over age 2, \$200 if age 2 or under)	- \$
Add Total Countable Unearned Income (child support, deemed income, etc.)	+ \$
Subtract court ordered child support/alimony paid out	-\$
Total Adjusted Income*	\$
*Total adjusted income must be lower than the 100% Needs Standards for the AFDC group size provided in Appendix A of this manual.	

- F. All income and deductions must be verified. Where verification is made available in the form of a document, copy the document and place it in the record. Verification can consist of pay statements, W-2 forms, employment computer check, or other documentary proof (such as parent's statements, or the worker's knowledge and observations about the family situation based on a preponderance of evidence). If reliance is on statements, knowledge, and observations, statements should be included in the record.
- G. If the income of the child's family is unknown and a determination of potential AFDC relatedness cannot be made, the worker shall examine other third party sources (such as available data on various information systems). Among these systems are MMIS for Medical Assistance, CARES for public assistance, DWD Wage Record, and KIDS for child support.
- H. Form CFS-205 must be attached to Form CFS-201 and maintained in the child's case record.
- I. A parent's verbal statement or declaration of income and resources would be acceptable evidence if no other documentation were available. The parent's statement must be recorded on Form CFS-205 and maintained in the child's case record.

7. KINSHIP CARE AND SHELTER CARE

A. Kinship Care

The Kinship Care Program provides a financial assistance payment to relatives caring for children using Temporary Assistance for Needy Families (TANF) funds. Relatives must be approved to receive a Kinship Care payment, but the relatives may or may not be licensed as foster parents. Unlicensed relative placements are not IV-E reimbursable. The placement of the children with the relative may be voluntary or under a court order. Children placed with relatives under court order are under the legal responsibility of the agency.

Title IV-E eligibility must be determined for children in court-ordered Kinship Care. If a child comes under the legal responsibility of the agency and is initially placed with an unlicensed relative under the Kinship Care program, the agency should collect the necessary IV-E eligibility information (court orders, parental income, etc.) and complete the CFS-201 initial determination form. For Kinship Care cases reported to the state using the eWiSACWIS system, the IV-E eligibility status for the child is entered into the system. Kinship care cases may be IV-E eligible, but are not IV-E reimbursable because the unlicensed Kinship Care home is not a reimbursable facility.

For court ordered Kinship Care cases in agencies that have not migrated to eWiSACWIS, the IV-E eligibility status cannot be entered into the database. Their existing database system, the Kinship Care Tracking System (KCTS), does not track IV-E eligibility. The CFS-201 form should be completed and kept in the agency's file.

If the child is IV-E eligible, but not reimbursable, and the relative becomes licensed, or if the child is subsequently placed into an out-of-home care placement, the worker should complete a CFS-201A redetermination form to document the ongoing IV-E eligibility and possible reimbursability of the child.

B. Shelter Care

Shelter care and receiving homes are often used on a temporary basis when children are first removed from their homes. If the child's initial placement is in shelter care, which is typically short-term, it is reasonable to wait until after the shelter care placement to decide if a IV-E eligibility determination must be made. If the child returns home from a short stay in the shelter (less than 7 days), no IV-E determination is necessary at that point in time, though this may later be considered the child's initial placement into out-of-home care. If the child is subsequently placed into out-of-home care, a IV-E eligibility and reimbursability determination must be completed. Shelter care facilities are licensed and federal reimbursement can be claimed for the maintenance costs of eligible and reimbursable children.

The CFS-201 initial determination form must be completed using the date of the shelter care placement as the IV-E eligibility effective date, if that is the initial removal. If the child is subsequently placed into out-of-home care, the agency should utilize the initial eligibility determination and complete a CFS-201A redetermination form to document the IV-E eligibility and reimbursability of the child. The CFS-201 and CFS-201A forms should be completed and kept in the agency's files.

For cases reported to the state using the eWiSACWIS system, the IV-E status of the child is entered into the system and the eWiSACWIS codes for shelter care and receiving home placements should be used. For cases previously reported to the state using the Children in Substitute Care (CSC) module of the HSRS system, the IV-E status was entered only when the child is placed into an out-of-home care placement because HSRS does not track shelter care placements.

8. INITIAL IV-E REIMBURSABILITY DETERMINATION

The determination of IV-E reimbursability of children in the legal responsibility of the agency qualifies the State and county to obtain federal IV-E funding for maintenance costs (board and care) associated with the child.

- A. At the time of the initial IV-E eligibility determination, if a child was determined to be IV-E Eligible there are only three other criteria the child must meet to be IV-E reimbursable at the initial determination.
- B. The IV-E reimbursability criteria that must be met at initial determination if a child has been determined IV-E eligible are the following:
 - 1. Child resides in a IV-E reimbursable placement;
 - 2. For those children under the agency's legal responsibility under a voluntary placement agreement (VPA), a contrary to the welfare judicial finding must be obtained in a court order within 180 days after the removal date; otherwise, the child will only be IV-E eligible/reimbursable for the first 180 days; and
 - 3. Child is not receiving SSI. If the child is in receipt of SSI, the child cannot be IV-E reimbursable. For information on the consideration of SSI benefits please see Section 8.2.

8.1 Placement Criteria

- A. Out-of-home care facilities must be in compliance with Wisconsin's licensure standards in order to be IV-E reimbursable. Claiming can begin in the month in which all licensing requirements are met, but cannot continue beyond 60 days if the license has not been issued. If the license issuance is delayed beyond 60 days, claiming must cease after 60 days until the license is issued. The information needed includes receipt of the results of a criminal background check and other appropriate requirements of Ch. HFS 56, Adm. Code.
- B. Title IV-E reimbursement for board and care is available in any month that a child is placed in an out-of-home care facility that is licensed, even if the home is licensed for a portion of the month (except for the limited time during the licensing process described in Subsection A). However, reimbursement is not available if the child is placed in an out-of-home care facility that is not licensed at any point in the month. However, because the children in these instances remain IV-E eligible, an administrative claim can be made.

C. Reimbursable Placements

There are five types of providers that meet the law's definition of a IV-E reimbursable facility:

- 1. A foster home or treatment foster home licensed by a non profit agency;
- 2. A foster home or treatment foster home licensed by a for profit agency in which the foster home is directly paid by a county or other non profit organization;

3. A licensed relative foster home;
4. A private group home or residential care center licensed by the state;
5. Shelter facilities.

D. Non Reimbursable Placements

Detention facilities, medical facilities, forestry camps, training schools, and secure/locked facilities primarily for delinquent children are not IV-E reimbursable facilities. IV-E eligible children placed in such facilities are not reimbursable during that placement. Upon return to a reimbursable out-of-home care facility, IV-E eligible children become reimbursable again.

Payments to foster parents and treatment foster parents associated with a for-profit child placing agency **are IV-E reimbursable** if a public child welfare agency makes the foster care payment directly to the foster parent or treatment foster parent. Agencies are to make two payments in these situations – one payment directly to the foster parent or treatment foster parent for the Uniform Foster Care Rate and a separate payment to the child-placing agency for the administrative charges associated with the placement. If a for-profit child-placing agency makes foster care payments directly to the foster parents or treatment foster parent (as opposed to the public child welfare agency sending the payment), the placements are **not IV-E reimbursable**.

8.2 Consideration SSI Benefits

- A. As of February 4, 1994, federal policy does not prohibit states from claiming Title IV-E foster care maintenance payments (or adoption assistance payments) on behalf of a child who is simultaneously receiving SSI benefits. If a child is eligible for both Title IV-E maintenance payments and SSI, the child's SSI payment should be reduced dollar for dollar. In other words the SSI payment is reduced by the amount of the IV-E payment.
- B. It is permissible to apply for either Title IV-E foster care maintenance payments or SSI payments without applying for both, however this should be an informed decision made by both Title IV-E and SSI agencies, keeping in mind the best interests of the child.

9. IV-E REDETERMINATIONS

- A. A IV-E redetermination must be conducted on all IV-E eligible children (whether they are IV-E eligible only or IV-E eligible and IV-E reimbursable) at least every twelve months. However, when conducting the IV-E redetermination, each month during that 12-month period must be reviewed. Some workers chose to complete a redetermination when a status change occurs, for instance when a child moves from a reimbursable facility to a non-reimbursable facility. This is also acceptable. The minimum requirement is that a redetermination be

completed at least every 12 months while a child remains eligible and in out-of-home care.

- B. The review period for a IV-E redetermination is every month from the “Last IV-E Review Date” to the “Current IV-E Review Date”. If the worker is completing the first redetermination on a case, the review period is the date of removal to the “Current IV-E Review Date.”
- C. Title IV-E reimbursability may fluctuate from month to month. A child may lose and regain IV-E reimbursability, depending upon changes in deprivation in the removal home, the child’s income and resources, the circumstance in the placement, or in obtaining the required judicial findings. The loss of IV-E reimbursability in one month does not deprive the child of IV-E reimbursability in the next month, nor does it affect the child’s IV-E eligibility.
- D. Upon redetermination, a child must meet **all** of the IV-E criteria in Sections 9.1 through 9.7 of this manual to receive ongoing IV-E reimbursement.

9.1 Ongoing Eligibility

- A. The child must continue to be IV-E Eligible in order to be IV-E Reimbursable. As mentioned before, IV-E eligibility is determined on a one-time basis at the time the child initially entered the care and responsibility of the agency, based on the child’s situation and the information provided at that time. Once the child is determined IV-E Eligible, the child will continue to be eligible for that out-of-home care episode and can be claimed for IV-E administrative funding.
- B. There are four circumstances that would cause a child to no longer be IV-E Eligible once a child was initially determined IV-E Eligible (see Item C below). Once a child loses IV-E Eligibility, the child cannot be IV-E Eligible or Reimbursable during the current out-of-home care episode.
- C. Circumstances when a child may lose IV-E eligibility once it was established:
 - 1. The child no longer meets the age requirement;
 - 2. The agency’s legal responsibility for the child has been terminated;
 - 3. The child came under the agency’s legal responsibility as the result of a voluntary placement agreement and the agency failed to acquire a court order with a contrary to welfare finding within 180 days after the child’s removal from the home under the voluntary placement agreement; or
 - 4. The child was on a trial home visit or run away status longer than six months. The child would lose IV-E eligibility at the end of six months to the day.

D. Trial Home Visit

A child who has been in out-of-home care may return home for a trial home visit during which the child would be eligible only for Title IV-E funds. For IV-E purposes, **a trial home visit can last up to 6 months without court authorization.** If the child's trial home visit lasts longer than six months without court authorization, even with continuous agency legal responsibility, the child loses IV-E eligibility (if obtained) at the end of the six months. A new initial IV-E eligibility determination would need to be conducted if the child returns to out-of-home care.

If a trial home visits does not exceed 6 months, the worker would need to determine whether an initial determination or a redetermination of a child's eligibility for Title IV-E would be required. To do this the worker must assess whether the child continues to be under the agency's legal responsibility and continues to be in an out-of-home care status. The worker should determine if the jurisdiction established under the original court order or voluntary placement agreement is still in effect in relation to the removal of the child from his/her home, and has not been terminated and renewed through an alternative route. If however a child is discharged from out of home care and returned home, the child is not considered in out-of-home care status, even if the agency continues supervision of the child and therefore a new initial determination would need to be completed.

The above principles for "trial home visits" apply to IV-E eligible children on "run away" status.

9.2 Ongoing Reimbursability

Title IV-E reimbursability may fluctuate from month to month. A child may lose and regain IV-E reimbursability depending upon the following changes while the child remains in out-of-home care under the agency's legal responsibility:

1. Deprivation continues to exist in the removal home;
2. Child resides in a IV-E reimbursable placement;
3. The child can not be receiving SSI benefits;
4. The child meets the financial need criteria (based on only the child's income and assets once initial IV-E eligibility has been established); and
5. There is a judicial finding of "reasonable efforts to achieve the goal(s) of the child's permanency plan" within 12 months after the child's removal, and every 12 months thereafter from the last "reasonable efforts to achieve the goal(s) of the child's permanency plan" finding.

The loss of IV-E reimbursability does not deprive the child of future IV-E reimbursability once the reimbursable criteria are met again.

The child's loss of IV-E reimbursability from one month does not affect the child's IV-E eligibility for administrative claiming.

9.3 “Reasonable Efforts” to Achieve the Goal(s) of the Permanency Plan Criteria

- A. There must be a judicial finding at least once every twelve months from the date of removal and within every 12 months thereafter following the last judicial determination, stating reasonable efforts are being made to achieve the goal(s) of the permanency plan. This is true whether the permanence goal is reunification, adoption, guardianship, placement with a fit and willing relative, or another planned permanent living arrangement. The policy effective date for meeting this new requirement is March 27, 2000 for all children entering out-of-home care after March 27, 2000. Reasonable efforts findings for children in out-of-home care prior to March 27, 2000 are due within 12 months after the effective date of March 27, 2000; therefore, the policy effective date for obtaining the reasonable efforts to achieve the goal(s) of the permanency plan finding is due March 27, 2001.
- B. If there is no “reasonable efforts” judicial finding to achieve the goal(s) of the permanency plan within 12 months from the date the child was removed from the home and every 12 months from the previous reasonable efforts to achieve the goal(s) of the permanency plan finding, the child is not IV-E reimbursable until it is obtained. That is, if the reasonable efforts language related to the permanency plan is not in the court order, the child is not IV-E reimbursable until the language is obtained in a court order. For instance, if the judicial finding is not obtained until 16 months after the child's removal, the child would lose IV-E reimbursability after the 12th month but could regain IV-E reimbursability once the judicial finding was obtained in the court order in the 16th month. The next judicial finding would be due 12 months from the date of the latest judicial finding.
- C. Affidavits or nunc pro tunc orders are not accepted for meeting the reasonable efforts to achieve the goal(s) of the permanency plan judicial finding requirement. Court orders solely referencing the State law are not acceptable for meeting the reasonable efforts to achieve the goal(s) of the permanency plan judicial finding requirement.
- D. For IV-E purposes, if there is an interruption in out-of-home care, such as a placement in a secure correctional facility, detention facility, or hospital, the clock for holding permanency hearings, in which an REPP judicial finding is obtained, is paused for the duration of the interruption to the out-of-home care placement. The cumulative timing for holding permanency reviews and hearings resumes

when the child returns to out-of-home care. The caseworker should perform a IV-E redetermination when the child re-enters out-of-home care.

9.4 Ongoing Deprivation

- A. Deprivation, according to the AFDC relatedness criteria, must continue to exist in the removal home, as defined in Section 6.15 of this manual. The deprivation factor does not have to be the same deprivation factor that existed at the time of initial IV-E eligibility. For any month in which deprivation does not exist in the removal home, the child is not IV-E reimbursable for that month. Once deprivation exists again, the child's IV-E reimbursement may continue if all other criteria are met.
- B. If AFDC-relatedness is used as a form of ongoing deprivation, receipt by the child's caregiver (mother/father) would be applicable assuming the caregiver was part of the child's AFDC group.
- C. Using financial need as a form of ongoing deprivation can occur assuming the months under review are August of 2003 forward. This determination would be made based on the two parent family AFDC group in the home during the month being tested.

9.5 Placement in a IV-E Reimbursable Facility

The child must be in a IV-E reimbursable placement as defined in Section 8.1 of this manual. If the child is not residing in a IV-E reimbursable facility, the child cannot be IV-E reimbursable. Once the child enters a IV-E reimbursable facility, the child's IV-E reimbursement may continue if all other criteria are met. See Subsection 11.B.1 for further information related to claiming based on placement.

9.6 Ongoing Financial Need: Child's Income and Assets

Once a child meets initial IV-E eligibility, **only the income and assets of the child** are considered in determining if the child meets "Financial Need" for redetermination (ongoing IV-E reimbursement).

- A. **Assets:** A child's assets must be under \$10,000. (The asset limit prior to November 1, 1997 is \$1,000. The asset limit from November 1, 1997 to December 13, 1999 is \$5,000 due to the implementation of ASFA. The asset limit after December 14, 1999 is \$10,000 due to the Chafee Foster Care Independence Act.)
- B. **Income:** The child's income (only) must be less than 185% of the child's foster care rate including clothing allowances for redetermination of IV-E reimbursement. This is the only standard to which income is compared in

determining if the child meets ongoing IV-E reimbursement, unlike determining if the child meets the income limits for initial IV-E eligibility.

- C. For the months in which a child's countable assets or countable income is above the required limits, the child is not IV-E reimbursable. IV-E reimbursement may continue once the child's assets and income no longer exceed the limits.
- D. **Lump sum payment** is a non-recurring or advance payment not earmarked for a specific purpose. Examples of lump sum payments are retroactive Social Security benefits, stock dividends, life insurance settlements, etc. A lump sum payment is considered as income in the month in which it is received, not as an asset.

When the lump sum payment is received, the child remains IV-E eligible but becomes non-reimbursable for the number of full months for which the out-of-home care maintenance rate is equally divisible into the lump sum payment. For any partial remaining month, the amount of the lump sum payment, which remains, will be treated as income for that month.

Example: Title IV-E foster child receives \$1,200.00 retroactive Social Security payment. The out-of-home care maintenance rate is \$307.00. $\$1,200.00 \div \$307.00 = 3$ months of non-reimbursability. The remaining \$279.00 would be budgeted as unearned income in the fourth month.

9.7 Consideration of SSI Benefits

The worker should apply the information outlined in Section 8.2 of this manual.

10. MINOR PARENT AND INFANT IN CARE

- A. The Title IV-E program allows a state to claim Title IV-E reimbursement for the costs of a child living in the same placement as its minor parent. There are two ways in which this can occur, given in Sections 10.B and 10.C below.
- B. If the minor parent has been determined Title IV-E eligible and reimbursable, the added cost of care for the infant living in the same placement can be reimbursed through the mother's Title IV-E status. The infant does not have a separate IV-E status since there is no separate judicial removal order placing the child into out-of-home care and the agency does not have care and responsibility of the child. In this situation the cost of care for both the minor parent and the infant will be contained in one payment to the out-of-home care provider, and the infant's cost of care is assigned to the mother's cost of care. The infant would also be eligible for Medical Assistance benefits.

- C. If a minor mother and her child are both in the same foster family home and each have been determined eligible for Title IV-E, it is possible to claim administrative and maintenance funds for both the minor mother and her child. The fact that the teen mother and her child are in the same foster home does not mean that they have been “reunified”. The foster parent has supervision of the child and is responsible for day to day supervision. It is imperative in this situation that the agency has legal responsibility for both the child and the teen mother.
- D. If the infant is removed from the minor parent and the agency placed the child in a separate out-of-home care placement and had legal responsibility of the child, a Title IV-E determination should be conducted on the infant. The infant’s Title IV-E eligibility would be like that of any child being removed from his/her parent.

11. TITLE IV-E CLAIMING DATES

A. IV-E Eligibility Effective Date

1. Regarding Initial Eligibility Determination:

The IV-E eligibility effective date is the first day of the month in which all of the eligibility criteria are met including the child having been removed from the home. A child who is IV-E eligible during any part of the month is eligible for the entire month, unless claiming occurs in the same month in which the child is removed from the home. Claiming can not occur until the child is removed from the removal home.

2. Regarding Ongoing Eligibility Determination:

IV-E eligibility can end for any of the following reasons:

- a. the child “ages out”;
- b. the agency’s legal responsibility for the child has been terminated;
- c. the child was placed via voluntary placement agreement and a contrary to the welfare finding was not obtained within 180 days after the child’s removal; and
- d. the child was on a trial home visit/runaway status for longer than 6 consecutive months.

If any of these four instances occur, claiming should cease immediately. Claiming can not continue for the balance of the month.

B. IV-E Reimbursable Effective Date

1. Regarding Initial IV-E Reimbursability:

The IV-E reimbursable effective date is the first day of the month in which all of the IV-E reimbursable criteria are met, including having been determined

initially IV-E eligible at the time the child entered the agency's care and responsibility, provided the child has been removed from his/her home. With a few exceptions, a child who is reimbursable during any part of the month is reimbursable for the entire month. The following are the exceptions:

- a. The child is removed from the home in the same month in which reimbursability would begin. Reimbursability can not occur until the child is removed from the home;
- b. The child is placed in a non-reimbursable facility then goes into a reimbursable facility in the same month (or vice versa). Reimbursability can only be claimed for the period of time that the child is in a reimbursable facility;
- c. A child is placed in a home in which the license is revoked or terminated and the child remains in the home, the child is only reimbursable during the period of time that the license is in effect;
- d. The license is not issued within 60 days from the date that the agency has all information required to issue the license.

The regulations permit states to claim reimbursement for children placed in an unlicensed facility for up to 60 days after the agency has all documentation needed to issue the license, but claiming cannot go beyond 60 days if the license has not been issued. If the license is not issued within 60 days after the requirements are met, the placement is not reimbursable.

For instance, if the agency obtained all required information to issue the license on March 1st, and the license is issued June 15th, reimbursement can only occur for the 60 days following March 1st. In this example the entire month of March and April can be reimbursable, but reimbursement would end May 1.

2. Regarding Ongoing IV-E Reimbursability:

Aside from the above exceptions in Subsection 11.B.1 a child who is IV-E reimbursable during any part of the month is reimbursable for the entire month.

12. Title IV-E Eligibility Determinations

The IV-E eligibility process in Wisconsin consists of five phases, including information gathering, eligibility recommendations, State approval, quality assurance and fiscal claiming. This paper explains the IV-E eligibility process and the staff involved in each of the five phases. The procedures used for State approval, quality assurance and fiscal claiming ensure that all IV-E claiming is done on the basis of State approved-eligibility determinations.

The IV-E eligibility process is managed by the Division of Children and Family Services (DCFS), which is the Title IV-E agency for Wisconsin within the Department of Health and Family Services (DHFS). Units within DCFS involved in IV-E eligibility include the Office of Policy Evaluation and Planning (OPEP), the Bureau of Programs and Policies (BPP) and the Bureau of Milwaukee Child welfare (BMCW). Other units involved under the direction of DCFS include Maximus, Inc. under contract to DCFS, the Office of Strategic Finance (OSF) within DHFS and the Bureau of Fiscal Services (BFS) within DHFS.

- A. **Information Gathering:** The process of gathering information to make IV-E eligibility recommendations is performed primarily by Maximus under two contracts with DCFS. The first contract is for the Statewide Eligibility Unit (SEU) which covers the 71 counties outside of Milwaukee. The second contract is the Milwaukee Eligibility Unit (MEU) which covers Milwaukee County. Referrals of children in placement for IV-E eligibility determinations are made by county child welfare agencies and BMCW to the SEU and MEU respectively. Referrals are automated through the eWiSACWIS system, with the referrals creating an eligibility record for the child in the system. SEU and MEU staff work with counties and BMCW to collect information needed to process initial IV-E eligibility determinations and annual redeterminations. Information collected includes financial information for families, court orders and other information necessary to make IV-E eligibility determinations.

Information is collected from several sources. Counties and BMCW submit information through eWiSACWIS and on paper. Cases files are requested from counties and BMCW as needed to verify the referral and financial information. Maximus staff check the CARES public assistance data system (used for Medicaid, Food Stamps and TANF) for public assistance records for children in placement, including eligibility of children for AFDC-related Medicaid and income and asset information for families. Maximus staff also check the Wage Record system (operated by the Department of Workforce Development) for wages reported for Unemployment Insurance purposes. Eligibility information is entered into eWiSACWIS and a paper IV-E eligibility file is maintained for each child.

The SEU staff are co-located in the five DHFS regional offices along with OSF eligibility coordinators and BPP Special Needs Adoption Program staff. The MEU staff are co-located with BMCW in Milwaukee. This allows for direct supervision of Maximus staff by State employees and facilitates the State review and approval process. OSF eligibility coordinators and BMCW staff work with counties and units within Milwaukee to ensure timely eligibility referrals to Maximus and complete submission of eligibility information.

- B. Eligibility Recommendations:** The eligibility recommendation function is included in the SEU and MEU contracts. Based on eligibility information, Maximus staff prepare eligibility recommendations for State approval, including initial determinations and redeterminations. While recommendations are being developed, the IV-E eligibility of children is identified as pending in eWiSACWIS. Eligibility recommendations are made to State staff for whether children are IV-E eligible or ineligible, and if eligible, both the initial and ongoing reimbursability of the child.

The eligibility recommendations are entered in eWiSACWIS to produce the system versions of the DCFS 201 (initial eligibility) and 201A (redetermination) forms. The 201 and 201A forms have been used for IV-E eligibility determinations for many years and the screen prints are replicas of those forms. To produce the screen prints, the child's status in eWiSACWIS is changed from pending to eligible or not eligible for initial eligibility and to show the ongoing reimbursability of the child. Screen prints showing the eligibility recommendation are submitted to State staff for approval, along with the complete IV-E eligibility file for the child to support the recommendation. While Maximus staff are responsible for data entry into eWiSACWIS to produce the screen prints, State staff approve all eligibility recommendations.

The SEU contract is administered the by State IV-E specialist in OPEP. The MEU contract is administered by BMCW, in collaboration with the IV-E specialist. Monthly meetings are held with DCFS management to review the performance of Maximus for the SEU and MEU contracts. The SEU and MEU contracts include performance requirements for Maximus.

- C. State Approval:** For cases processed by the SEU, the State approval is done by BPP adoption program staff or OSF regional office staff. The BPP and OSF staff review the recommendation for accuracy, ensure that supporting information is in the IV-E eligibility file, and sign the screen prints to provide State approval. State staff also review information about the child in eWiSACWIS, including that the eligibility record is correct. In the event State staff request more information or disagree with the Maximus recommendation, a conference is held with Maximus staff to review the case. Each regional office has a tracking system to log case discrepancies and the resolution of those cases and all such cases are forwarded to the State IV-E specialist for review. In instances where the Maximus recommendation is reversed by State staff, the eWiSACWIS record is changed and a new screen print is produced for State signoff.

A similar process is used for cases processed by the MEU. BMCW staff review eligibility recommendations, resolve discrepancies, sign off on screen prints, and ensure that the eligibility record is correct in eWiSACWIS.

The DCFS policy is that State signoff on eligibility recommendations occur within two weeks of submission of the eligibility recommendation by Maximus.

The State signoff has taken longer at some points in the past with the creation of the SEU/MEU and staff turnover, however, the signoff process has been streamlined to afford the shortest turn around time possible. The signoff can occur within one day when State staff are in the office and there are no issues with cases. In situations where State staff are working with counties or more information is needed, the signoff can take several weeks depending on how long it takes for counties or BMCW units to respond to information requests.

The pending federal SACWIS assessment review report (SARR) for the eWiSACWIS system includes a recommendation that the State signoff be automated in eWiSACWIS. DCFS intends to pursue an enhancement to eWiSACWIS to automate the State staff signoff as recommended in the pending SARR. The enhancement will have the effect of leaving cases in a pending status until the State signoff is done in the system. The enhancement will likely be made during the second half of CY 2005, depending on State analysis of the other federal SACWIS recommendations pertaining to IV-E eligibility.

- D. **Quality Assurance:** OSF and BMCW staff perform regular quality assurance reviews of IV-E eligibility determinations. The quality assurance activities are performed by OSF eligibility coordinators for SEU cases and by BMCW staff for MEU cases. The staff performing QA are generally not involved in the State staff signoff, so they review the quality of work by both Maximus and the State staff signoff.

If the QA process identifies potential error cases, the SEU and MEU staff can be directed to collect additional information and the eligibility status of the child is reviewed in a conference. If errors are identified, the eligibility status is corrected in eWiSACWIS and the IV-E eligibility file is updated. The QA staff hold regular meetings within the regional offices and BMCW to review QA results with SEU and MEU staff and identify ways to improve the accuracy and efficiency of the IV-E eligibility process. Additionally, all cases with discrepancies are forwarded to the State IV-E specialist for review.

The quality assurance sample varies from 5-10% of cases depending on the location, with the sample being determined by the QA staff under the direction of the State IV-E specialist. The sample can be higher for certain types of cases and a higher sample rate is done for cases worked on by new Maximus hires in the SEU and MEU. Case files from counties and BMCW are also requested for some of the QA sample cases to verify that information submitted by counties and BMCW sites is accurate.

APPENDIX A
WISCONSIN'S AFDC 100% STANDARD OF NEED

AFDC 100% Standard of Need Effective July 16, 1996

INCOME STANDARDS					
Group Size	Area I	Area II	Group Size	AREA I	AREA II
1	\$311	\$301	10	\$1,179	\$1,143
2	\$550	\$533	11	\$1,204	\$1,168
3	\$647	\$626	12	\$1,229	\$1,193
4	\$772	\$749	13	\$1,254	\$1,218
5	\$886	\$861	14	\$1,279	\$1,243
6	\$958	\$929	15	\$1,304	\$1,268
7	\$1,037	\$1,007	16	\$1,329	\$1,293
8	\$1,099	\$1,068	17	\$1,354	\$1,318
9	\$1,151	\$1,117	18	\$1,379	\$1,343

Note: Add \$25 per person for AFDC groups larger than 18.

Note: Women in their 8th or 9th month of pregnancy are entitled to an addition \$71 in their need standard.

AREA – I			
Brown	Kenosha	Outagamie	Sheboygan
Dane	La Crosse	Ozaukee	Washington
Dodge	Marathon	Racine	Waukesha
Dunn	Manitowoc	Rock	Winnebago
Eau Claire	Milwaukee	St. Croix	Ho-Chunk Tribe*
Fond du Lac	Oneida Tribe		
AREA – II			
Adams	Grant	Marquette	St. Croix Tribe
Ashland	Green	Menominee	Sauk
Bad River Tribe	Green Lake	Menominee Tribe	Sawyer
Barron	Iowa	Mole Lake Tribe	Shawano
Bayfield	Iron	Monroe	Stockbridge Munsee Tribe
Buffalo	Jackson	Oconto	Taylor
Burnett	Jefferson	Oneida	Trempealeau
Calumet	Juneau	Pepin	Vernon
Chippewa	Kewaunee	Pierce	Vilas
Clark	Lac Courte	Polk	Walworth
Columbia	Oreilles Tribe	Portage	Washburn
Crawford	Lac du Flambeau Tribe	Potawatomi Tribe	Waupaca
Door	Lafayette	Price	Wausara
Douglas	Langlade	Red Cliff Tribe	Ho-Chunk Tribe**
Florence	Lincoln	Richland	
Forest	Marinette	Rusk	

* If residing on tax-free land in LaCrosse and Marathon counties.

** If residing on tax-free land in counties other than LaCrosse and Marathon.

APPENDIX B

GLOSSARY

AFDC

“Aid to Families with Dependent Children” means the Income Maintenance program provided under Title IV-A of the Social Security Act. Under federal welfare reform legislation, this program was replaced by TANF. A child’s linkage to AFDC, using the July 16, 1996 need standard, is a criteria for Title IV-E eligibility.

AFDC Group

“AFDC Group” means the grouping of the persons from the removal home whose income and resource must be considered in determining if the child meets the financial need (income and resources criteria) for AFDC relatedness.

AFDC Relatedness

“AFDC relatedness” means a IV-E eligibility criterion indicating the child has a relatedness to the AFDC program in effect July 16, 1996 to be eligible for Title IV-E benefits; the criteria for meeting AFDC relatedness are age, citizenship, deprivation, living with a specified relative, and financial need (both income and assets).

AFDC 100% Standard of Need

“AFDC 100% Standard of Need” means the cost of a family’s basic living needs that the State recognizes as essential for all families, and any special recurring or nonrecurring needs recognized by the State as essential for some persons. The AFDC Need Standard in effect on July 16, 1996 is the standard used for Title IV-E eligibility.

CTW

“CTW” means a contrary to welfare judicial finding.

Constructive Removal

“Constructive removal” is considered “paper removal”; when the agency has obtained legal responsibility for the child but the agency did not physically remove the child from his/her current residence.

Deeming group

“Deeming group” means the grouping of person(s) whose income is deemed toward the child under review.

Deeming group’s AFDC group

“Deeming group’s AFDC group” means the grouping of person(s) who establish the AFDC group number for the deeming group.

Deeming Stepparent's Income

“Deeming stepparent’s income” means determining,, for a stepparent living in a parent removal home, that portion of the stepparent’s income that is applied towards the child in determining if the child meets financial need requirement for AFDC relatedness criteria. The stepparent is not counted in the child under review’s AFDC group, nor are any of the stepsiblings.

Deprivation

“Deprivation” means a child must be deprived of the care and support of one or both parents as a result of death, physical or mental incapacity, continued involuntary absence (e.g., due to incarceration) or voluntary absence (e.g., due to divorce or separation) from the home where the child resides, underemployment or unemployment of the primary wage earner, or AFDC-relatedness in the eligibility month.

Discharge

“Discharge” means the point in time when the child is no longer in out-of-home care under the care and responsibility or supervision of the agency.

Earned Income

“Earned income” means income derived directly from work-related activity (e.g., wages).

Eligibility Month

“Eligibility month” means the month in which initial legal proceedings (court action) were initiated (e.g., a petition was filed) that led to the court-ordered removal of the child from his or her home, or the month in which the voluntary placement agreement (VPA) was signed. If there is no petition the date of the initial court order authorizing removal should be used to establish the eligibility month

Episode

“Episode” means a removal with one or more placements. An episode is completed by a discharge. A current episode is a removal and one or more placement settings without a discharge.

Equity Value

“Equity value” means the market value of a resource, minus any debts still owed on the resource, when determining if the child meets the resource criteria for the Title IV-E program.

Facilities outside the Scope of Foster Care

“Facilities outside the Scope of Foster Care” means detention facilitates, forestry camps, psychiatric hospital, training schools, or any other facility operated primarily for the detention of children who are determined to be delinquent.

FFP

“Federal Financial Participation” means the matching rate paid by the federal government for specified program activities, as provided in federal regulation. FFP for Title IV-E administrative activities is 50%; training costs, 75%; and IV-E maintenance cost is based on the poverty level in each state, ranging from 50% - 83%, and must be calculated annually for each fiscal year. The State’s IV-E maintenance FFP, which is based on the State’s Federal Medicaid Percentage” (FMAP), is 58.43 (FFY 2003).

FMAP

“Federal Medicaid Percentage” means the FFP rate paid by the federal government for maintenance costs under Title IV-E and direct service costs under the Title XIX program. The rate, based on the poverty level in each state, ranges from 50% - 83%, and must be calculated annually for each fiscal year. The State’s FMAP is 58.43% (FFY 2003).

Initial IV-E Eligibility

“Initial IV-E eligibility” means the first IV-E eligibility determination made at the time the child first enters agency legal responsibility.

Initial Court Order

“Initial court order” means the very first court order that authorizes the child’s removal from the home. It is this court order that must have the contrary to the welfare judicial finding. The typical initial court order that authorizes removal is the Temporary Physical Custody Order (TPC) or the Dispositional Order.

IV-E Eligibility

“IV-E eligibility” means the process of determining if the State and county can claim federal IV-E funding reimbursement for administrative and training costs associated with the child.

IV-E Reimbursability (Title IV-E)

“IV-E reimbursability” means determining if the State and county can claim federal IV-E reimbursement for maintenance costs (board and care and applicable childcare) associated with the child.

IV-E Redetermination

“IV-E redetermination” means a re-evaluation conducted, at a minimum, every 12 months for each month from the last IV-E determination.

Legal Custody

“Legal Custody” means a legal status created by the court, which grants the right and duty to protect, train, and discipline the child, and to provide food, shelter, legal services, education, and ordinary medical and dental care.

Legal Responsibility

“Legal responsibility” for Title IV-E purposes means that the state or county agency has responsibility for placement and care of the child, which means that the agency is legally accountable for the day to day care and protection of a child in out-of-home care.

Nunc Pro Tunc Order

“Nunc pro tunc order” means changing back to an earlier date of an order, judgment or filing of a document which can be obtained by a showing that the earlier date would have been legal, and there was error, accidental omission or neglect which has caused a problem that can be cured. Federal regulations effective March 27, 2000 specified that nunc pro tunc orders are no longer acceptable for Title IV-E eligibility.

A nunc pro tunc order is an order in and of itself that provides new information to reflect back to a previous court order that should have included specific information that was inadvertently omitted. Nunc pro tunc literally means “now for then.” Nunc pro tunc orders were used in the past for IV-E purposes when previous orders inadvertently omitted the required “contrary to the welfare” judicial finding for Title IV-E eligibility. These orders are not allowed for IV-E purposes under the federal regulations. Court orders must have the required judicial findings in the actual orders on the date the court order was issued.

Out-Of-Home Care Facility

“Out-of-home care facility” means a placement (e.g., family foster homes, relative foster homes, treatment foster homes, residential care centers, group homes, emergency shelter, pre-adoptive homes) a child may enter when removed from the home.

Parent

“Parent” means a biological parent, a husband who has consented to the artificial insemination of his wife, or a parent by adoption. Parent does not include any person whose parental rights have been terminated.

Pending Status

“Pending Status” means that additional information is needed to determine a child’s IV-E eligibility. The child should be put in a “Pending Status” until the necessary information is obtained to make an IV-E determination.

Permanency Plan Review

“Permanency Plan Review” means a review that is required every six months for children that have been removed from their home. A review is required to determine the permanency plan for the child, including the permanence goal and planned actions to achieve the goal. The court or administrative body will determine whether and, if applicable, the child will be:

- Returned to the parent;
- Placed for adoption with the State, including filing a petition for termination of parental rights;

- Referred for legal guardianship;
- Placed permanently with a fit and willing relative; or
- Placed in another planned permanent living arrangement, but only after the other permanence goals have been considered and a compelling reason has been documented why the other permanence goals were not selected for the child.

Petition

“Petition” means a formal written application to a court requesting judicial action on a certain matter; it initiates legal proceedings. The “petition” plainly states the facts that bring the child within the jurisdiction of the court and what action is being sought from the court.

Placement

“Placement” means the physical setting in which a child resides. This occurs after removal. A new placement occurs when a change of placement occurs.

Physical Removal

“Physical removal” means that the agency has physically removed the child from the home of a specified relative and person(s) who have legal custody or parent(s).

Qualified Alien

“Qualified alien” means an individual residing in the U.S. who does not have citizenship but meets the “qualified alien” definition under federal law; it includes, but is not limited to, an alien lawfully admitted for permanent residency, granted asylum or refugee status; a Cuban or Haitian entrant; or an alien who (or whose child or parent) has been battered or subjected to extreme cruelty in the U.S. Undocumented aliens and aliens legally admitted to the U.S. on a temporary basis for work, study or pleasures are not qualified aliens. Only qualified aliens can apply for or receive Federal public benefits, including Title IV-E.

Removal

“Removal” means either the physical act of taking a child from his or her normal place of residence either by court order or a voluntary placement agreement and placing the child in a out-of-home care setting or the removal of custody from the parent or relative guardian pursuant to a court order or voluntary placement agreement which permits the child to remain in a out-of-home care setting.

Removal Home

“Removal home” means the home of the specified relative and person(s) who have legal custody or parent(s) from whom the child was considered removed (whether it was a physical removal or a constructive removal) when determining if the child met the AFDC relatedness criteria.

REPP

“REPP” means a reasonable efforts to achieve the goals of the permanency plan judicial finding.

REPR

“REPR” means a reasonable efforts to prevent removal judicial finding.

Resources

“Resources” means personal property or items of value, such as checking or savings accounts, automobiles, land, buildings, life insurance, etc., used in determining financial eligibility for AFDC.

SSI

“Supplemental Security Income” or “SSI” means the federal program for monetary payments to low income aged, blind and disabled individuals under Title XVI of the Social Security Act, as amended.

SSA

“SSA” means the Social Security Administration (SSA). The SSA office is the administrative office that issues the Supplemental Security Income (SSI) benefits.

Title IV-E Program

“Title IV-E” means the federal entitlement program for children who are removed from their homes. The Title IV-E program is referred to as the federal Foster Care and Adoption Assistance Program; formerly referred to as AFDC-F.

TPR

“Termination of parental rights” means that, pursuant to a court order, all rights, powers, privileges, immunities, duties and obligations existing between parent and child are permanently severed.

Unearned income

“Unearned income” means income derived from sources other than direct involvement in work-related activity, such as Veteran’s Benefits or Unemployment Compensation. Also referred to as non-earned income.

Voluntary Placement Agreement (VPA)

“Voluntary placement agreement” or “VPA” is a signed written agreement between a child welfare agency and the parents(s) or the legal guardian(s) of the child, which is binding on all the parties to the agreement, and is a revocable agreement. A child aged 12 years of age or over must also agree with the agreement.